

**House File 50 - Introduced**

HOUSE FILE 50

BY DRAKE

**A BILL FOR**

1 An Act relating to the exemption from the state inheritance tax  
2 of estates of a certain size and including applicability  
3 provisions.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 450.4, subsection 1, Code 2013, is  
2 amended to read as follows:

3 1. When the entire estate of the decedent does not exceed  
4 the sum of ~~twenty-five~~ one hundred thousand dollars after  
5 deducting the liabilities, as defined in this chapter.

6 Sec. 2. Section 450.44, Code 2013, is amended to read as  
7 follows:

8 **450.44 Remainders — valuation.**

9 When a person whose estate over and above the amount of that  
10 person's liabilities, as defined in this chapter, exceeds the  
11 sum of ~~twenty-five~~ one hundred thousand dollars, bequeaths,  
12 devises, or otherwise transfers real property to or for the  
13 use of persons exempt from the tax imposed by this chapter,  
14 during life or for a term of years and the remainder to persons  
15 not thus exempt, this property, upon the determination of the  
16 estate for life or years, shall be valued at its then actual  
17 market value from which shall be deducted the value of any  
18 improvements on it made by the person who owns the remainder  
19 interest during the time of the prior estate, to be determined  
20 as provided in section 450.37, subsection 1, paragraph "a", and  
21 the tax on the remainder shall be paid by the person who owns  
22 the remainder interest as provided in section 450.46.

23 Sec. 3. APPLICABILITY. This Act applies to estates of  
24 decedents dying on or after July 1, 2013.

25 EXPLANATION

26 This bill increases from \$25,000 to \$100,000 the value at  
27 which estates are exempt from the Iowa inheritance tax. The  
28 bill applies to estates of decedents dying on or after July 1,  
29 2013.